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March 17, 2015

Re: NCUA v. Credit Suisse Securities (USA) LLC, No. 13-cv-6736 (DLC) (S.D.N.Y.)
NCUA v. Credit Suisse Securities (USA) LLC, No. 12-cv-2648 (JWL-JPO) (D. Kan.)
NCUA v. Morgan Stanley & Co., Inc., No. 13-cv-6705 (DLC) (S.D.N.Y.)

The Honorable Denise L. Cote
United States District Court for the Southern District of New York
Daniel Patrick Moynihan U.S. Courthouse
500 Pearl Street
New York, NY 10007

The Honorable George H. Wu
United States District Court for the Central District of California
312 North Spring Street
Los Angeles, CA 90012

The Honorable John W. Lungstrum
The Honorable James P. O'Hara
United States District Court for the District of Kansas
500 State Avenue
Kansas City, KS 66101

Dear Judges Cote, Wu, Lungstrum and O'Hara:

I write on behalf of Credit Suisse in response to NCUA's March 17, 2015 letter ("Ltr."), which asks the Courts to order Credit Suisse to provide certain additional disclosures in connection with Credit Suisse's February 20, 2015 disclosure pursuant to paragraph (k) of the Courts' April 9, 2014 Loan File Re-underwriting Protocol ("Re-underwriting Protocol") on a schedule proposed by NCUA. NCUA's request should be denied as premature because the parties have not yet completed the meet and confer process expressly contemplated by paragraph (k), which provides that "the parties shall meet and confer regarding an appropriate schedule of disclosures. If they are unable to agree upon a schedule, they shall present their competing proposals to the Coordination Judge". (Re-underwriting Protocol ¶ k.)

On February 20, 2015, pursuant to and on the schedule contemplated by paragraph (k) of the Re-underwriting Protocol, Credit Suisse notified NCUA that it intends to re-underwrite a set of Loan Files other than the NCUA Sampled Loans (*i.e.*, the loans within NCUA's samples across all of the coordinated NCUA actions, as defined in paragraph (a) of the Re-underwriting Protocol) for purposes of an expert report. On March 3, 2015, pursuant to paragraph (k) of the Re-underwriting Protocol, the parties began to meet and confer regarding a schedule for further disclosures regarding the loans that were the subject of that February 20, 2015 disclosure. During the parties' March 3, 2015 meet and confer, Credit Suisse stated that it did not intend to re-underwrite any loans other than those backing certificates at issue in the coordinated actions and that it likely would re-underwrite only a relatively small number of additional loans outside of the NCUA Sampled Loans. (Ltr. App'x D (Credit Suisse's March 13, 2015 Letter).) During that meet and confer, NCUA proposed that Credit Suisse disclose to NCUA by May 16, 2015 the loan files other than NCUA Sampled Loans it intends to re-underwrite and that, consistent with Section 11(a) of the April 9, 2014 Master Discovery Protocol, Credit Suisse would submit any affirmative expert reports regarding such re-underwriting by August 14, 2015. (Ltr. App'x B (NCUA's March 5, 2015 Letter) at 2.) NCUA proposed no other disclosures during the meet and confer. (*Id.* at 2-3.)

On Friday, March 13, 2015, at 4:02 p.m., as Credit Suisse was preparing to respond to NCUA's March 5, 2015 letter, NCUA emailed Credit Suisse and demanded that Credit Suisse provide "by Monday at 5 p.m.": "(1) the quantity of non-sampled loans it intends to re-underwrite; (2) the securitizations from which those loans will come; (3) how many of those loans will need to be subpoenaed, and how many Credit Suisse already has in its possession; and (4) how Credit Suisse has selected or will select the loans to be re-underwritten (that is, through sampling or some other method)". (Ltr. App'x C.) Credit Suisse responded later that same night stating that, although Credit Suisse was not in a position to provide the information NCUA requested immediately and did not understand the basis for certain of NCUA's requests, Credit Suisse was willing to meet and confer and that it would "provide the necessary information to NCUA according to a mutually agreed upon disclosure schedule". (Ltr. App'x D at 3 & n.5.) Credit Suisse further stated that it would "further consider the disclosure schedule proposed by NCUA in its March 3, 2015 letter and would respond to that proposal by separate letter". (*Id.* at 4.)

Inexplicably, this morning—before giving Credit Suisse a chance to provide the response to the May 16, 2015 schedule proposal and without even attempting to meet and confer

on the new requests sent on March 13, 2015—NCUA filed the present letter seeking relief from the Courts. Credit Suisse respectfully submits that NCUA's request for relief is premature and that the parties would benefit from additional time to meet and confer on these topics. Indeed, had NCUA given Credit Suisse the opportunity to respond, Credit Suisse would have agreed to the May 16, 2015 date for disclosing the individual loans that it intends to re-underwrite outside the NCUA Sampled Loans. With respect to the additional disclosures NCUA now seeks, the parties *never* have met and conferred on that issue and Credit Suisse requests the opportunity to do so. To the extent that the parties are unable to agree on a schedule after exhausting the meet and confer process, the parties then could submit competing proposals to the Court as contemplated by paragraph (k) of the Re-underwriting Protocol.

Respectfully,

/s/ Lauren A. Moskowitz

Lauren A. Moskowitz

BY EMAIL

Copy to:

All counsel of record

BY EMAIL